



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held February 19, 2008, the Board took the following action:

48-B

Supervisor Knabe made the following statement:

“Our Chief Executive Officer has recommended, as a means to balance the Fiscal Year 2008-09 budget, that the Board close or reduce clinic visit services in our health centers and comprehensive health centers and replace the curtailed County services through expansion of contracts with private providers.

“I am deeply troubled by this proposal. History tells us that it is loaded with complexities and risks which could hurt the public and cost the County plenty. The proposal does not adequately address these concerns, yet it would have to be implemented rapidly to achieve the promised budget savings in a fiscal year which starts in less than five months.

“In 1995, a similar proposal was put on the budgetary fast track. Many of the same facilities targeted now were on a countdown for closure then. In parallel, a crash effort to contract with private providers was underway. As the countdown continued, the clinics stopped scheduling new patient visits and canceled others. Other patients, thinking the facility was already closed, stopped coming. Meanwhile, as Health Services published layoff and reduction lists, some of our best employees, anticipating layoff, left the system.

“When a last-minute federal bailout allowed the County to stop the countdown and halt the layoff, the damage had already been done. Many months were required to restore the affected clinics to their former operating levels and to convince patients that the clinics were a better alternative than hospital emergency rooms.

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“Inadvertently shifting health patients to emergency rooms was a bad idea in 1995. Today, it is worse than bad. The emergency care system is fragile due to recent closures at King-Harbor and Daniel Freeman Hospitals and it relies more heavily on County subsidies to stay above water. An emergency services brown-out can vitally affect any one of us, whether we have health insurance or not. In 2002, by voting overwhelmingly for Measure B, an emergency services tax, our voters told us clearly that they want emergency care protected at all costs.

“The proposal before us is contrary to that direction. Imagine for a moment that the Board followed the recommended action and went forward on the tightly-coupled time table that budget implementation requires. It would be history repeating itself with another insufficiently analyzed and planned handoff, causing heavier workloads in both private and County hospital emergency rooms while increasing paramedic and ambulance response times. Consider the human consequences. Consider also the financial consequences.

“Is this the best possible plan to balance the budget? Have all possibilities been identified and thoroughly analyzed? I think not. Expanded clinic privatization merits consideration, but as a carefully-planned structural improvement, not a short-term budget fix. For that we need other, better, less complex and less risky options.”

Kathy Ochoa, SEIU Local 721; Dorlah Lawrence, RN, Registered Nurses Bargaining Unit; Dr. Genevieve Clavreul; Hector Flores; and Gloria Rodriguez addressed the Board.

After discussion, on motion of Supervisor Knabe, seconded by Supervisor Molina, unanimously carried, the Board instructed the Chief Executive Officer to provide the Board by March 24, 2008, with a comprehensive list of all cost saving options from which to choose to balance the Department of Health Services' 2008-09 budget; and by July 7, 2008 provide a proposed project plan to expand privatization of County clinic services to include the following:

- a. A detailed project budget showing forecast project costs and savings by month from the beginning of the project to at least three years out;

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- b. All other "Proposition A" analysis required; and
- c. An analysis prepared by independent experts of the potential community impact of the change and how to mitigate such impact, with the analysis to be similar to those the California Attorney-General has commissioned to evaluate hospital ownership conversions and include a thorough effort to anticipate and address contingencies that would otherwise be unforeseen.

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Copies distributed:

Each Supervisor
Chief Executive Officer
County Counsel